

Message Text

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TO USMISSION USUN NEW YORK PRIORITY

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E.O. 11652: N/A

TAGS: UN, AORG, APER

SUBJECT: UN FIFTH COMMITTEE: AGENDA ITEM 103 - REPORT OF
ICSC

1. WE HAVE REVIEWED CAREFULLY THE REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (ICSC) AND RECOGNIZE SKILL WITH WHICH COMMISSION HAS BLUNTED STRONG STAFF PRESSURES FOR SALARY INCREASE. WE NOTE THAT IN ORDER TO ACHIEVE THIS RESULT ICSC HAS MADE SOME CONCESSIONS WHICH WE DO NOT FAVOR. HOWEVER, WE LEAVE TO USDEL'S TACTICAL DISCRETION DEGREE TO WHICH TO PRESS OUR VIEWS ON MATTERS DISCUSSED IN PARAS. 4 TO 10 BELOW IN ORDER THAT FAVORABLE THRUST OF REPORT AS A WHOLE IS NOT IMPAIRED. WE ARE
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ESPECIALLY GRATIFIED THAT THE ICSC REPORT, IN PARAGRAPH 50,

CONCLUDES THAT THE NOBLEMAIRE PRINCIPLE SHOULD CONTINUE TO BE FOLLOWED IN ESTABLISHING THE LEVEL OF UN REMUNERATION AND THAT IT REAFFIRMS, IN PARAGRAPH 51, THAT THE UNITED STATES FEDERAL CIVIL SERVICE SHOULD BE THE GUIDE FOR SETTING THAT LEVEL.

2. WE PARTICULARLY WELCOME THE CONCERN OF MEMBERS OF THE COMMISSION (PARAS. 227-229) OVER THE AUTOMATIC PROTECTION

OF PURCHASING POWER AT THE BASE OF THE UN SALARY SYSTEM PROVIDED BY THE PRESENT POST ADJUSTMENT SYSTEM. WE STRONGLY SUPPORT THOSE COMMISSION MEMBERS WHO FAVOR DELETING THIS FEATURE OF THE POST ADJUSTMENT SYSTEM SO THAT THE BASE OF UN REMUNERATION WOULD RELATE SOLELY TO THE COMPARATOR NATIONAL CIVIL SERVICE (NOBLEMAIRE PRINCIPLE). DELETION OF THE COST-OF-LIVING INDEXATION FACTOR WOULD PREVENT A WIDENING OF THE MARGIN BETWEEN UN REMUNERATION AND THAT OF THE UNITED STATES CIVIL SERVICE. LATTER IS RELATED TO COMPARATIVE SALARY LEVELS IN THE U.S. PRIVATE SECTOR AND THESE LEVELS IN TURN ARE INFLUENCED BY A NUMBER OF FACTORS ADDITIONAL TO COST OF LIVING, E.G., THE GENERAL STATE OF THE ECONOMY, UNEMPLOYMENT LEVELS, AND MARKET FORCES. ACCORDINGLY, USDEL SHOULD POINT OUT THAT ALTHOUGH WE ACCEPT THE APPLICATION OF POST ADJUSTMENT TO EQUALIZE THE PURCHASING POWER OF STAFF BETWEEN THE BASE STATION AND OTHER DUTY STATIONS (PLACE TO-PLACE PRINCIPLE), WE STRENUOUSLY OPPOSE THE PRACTICE OF PROVIDING AUTOMATIC PROTECTION AGAINST INCREASES IN THE COST OF LIVING AT THE BASE STATION (TIME-TO-TIME PRINCIPLE). MANY CRITICS OF EXCESSIVE COMPENSATION PAID TO EMPLOYEES OF INTERNATIONAL ORGANIZATIONS HAVE TERMED IT PARTICULARLY ANOMALOUS THAT SERVANTS OF INTERNATIONAL ORGANIZATIONS, PRESUMABLY DEDICATED TO THE WELFARE OF THE WORLD, SHOULD SEEK FULLY AUTOMATIC PROTECTION AGAINST COST OF LIVING INCREASES WHEN SUCH AN INDEXING FURTHER CONTRIBUTES TO THE INFLATIONARY SPIRAL.

3. WE HAVE NO PROBLEMS WITH THE COMMISSION'S CONCLUSIONS AND RECOMMENDATIONS SUMMARIZED IN PARAGRAPHS 48 THROUGH 51, 53, 55, 58 THROUGH 65, 68, 69, 71 THROUGH 74, 76 LIMITED OFFICIAL USE

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THROUGH 78, 80, 81, AND 84.

4. NOTING THE COMMISSION'S QUALIFIED LANGUAGE IN PARA. 146, WE DO NOT BELIEVE SUFFICIENT EVIDENCE HAS BEEN PRODUCED TO JUSTIFY THE SUGGESTED CHANGE IN THE TRADITIONAL MATCHING POINTS FOR COMPARING EQUIVALENCIES OF GRADES BETWEEN THE UN AND U.S. SYSTEM. WE WOULD PREFER TO AWAIT THE RESULTS OF THE COMPREHENSIVE JOB EVALUATION

BETWEEN THE TWO SYSTEMS REFERRED TO IN PARA. 52(A).
COMPUTATIONS MADE WITH THE TRADITIONAL MATCHING POINTS,
INDICATE THAT UN SALARIES EXCEED PRESENT U.S. FEDERAL
SALARIES IN NEW YORK BY BETWEEN 31 TO 59 PERCENT.
ACCORDINGLY, WE DO NOT AGREE WITH THE COMMISSION'S CON-
CLUSION (PARA. 56) THAT QUOTE THE EXISTING LEVEL OF
UNITED NATIONS REMUNERATION IN RELATION TO THAT OF THE
UNITED STATES CIVIL SERVICE IS SATISFACTORY. UNQUOTE.

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5. WE JOIN THOSE MEMBERS OF THE COMMISSION WHO QUESTION
THE COMPARISON WITH THE U.S. CIVIL SERVICE IN WASHINGTON
RATHER THAN NEW YORK (PARA. 164). TO TEST THE ADEQUACY
OF UN SALARIES TO ATTRACT CITIZENS OF THE STATE WITH
HIGHEST PAYING CIVIL SERVICE, THE COMPARISON SHOULD BE
MADE IN THE LOCATION WHERE THEY WILL BE EMPLOYED. AT THE
PRESENT TIME THERE ARE APPROXIMATELY 92,000 U.S. GOVERN-
MENT EMPLOYEES WORKING IN THE FIVE BOROUGHES OF NEW YORK,
A LARGE NUMBER OF WHOM PERFORM PROFESSIONAL DUTIES COM-
PARABLE TO THOSE PERFORMED BY UN PROFESSIONALS AND WHO
HAVE FOUND THE CIVIL SERVICE SALARIES OFFERED TO THEM
SUFFICIENTLY ATTRACTIVE TO RETAIN THEIR SERVICE. ACCORD-
ING TO THE ICSC REPORT UN PROFESSIONALS IN NEW YORK
NUMBER 2,357 COMPARED TO 178 IN WASHINGTON OF WHICH 170
ARE EMPLOYED BY WHO AND PAHO.

6. WE URGE THAT THE RELATIONSHIP BETWEEN THE TWO SALARY
SYSTEMS BE KEPT UNDER CONTINUAL REVIEW AS STATED IN
PARA. 57. IF USDEL'S EFFORTS TO ELIMINATE COST-OF-LIVING
INDEXING FACTOR FROM POST ADJUSTMENT SHOULD FAIL AT THIS
SESSION, WE SHOULD ENCOURAGE THE COMMISSION TO RECOMMEND
THIS ELIMINATION SUBSEQUENTLY.

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7. IT IS NOTED THAT THE RECOMMENDATION IN PARA. 70 TO
TRANSFER SPOUSE ALLOWANCE TO BASE SALARY (THUS INCREASING
PENSIONABLE REMUNERATION) WILL INCREASE EMPLOYER CONTRI-
BUTIONS TO THE PENSION FUND BY APPROXIMATELY DOLS. 730,000.
USDEL SHOULD SEEK TO RECOVER COST OF THIS RECOMMENDATION
BY RESISTING INCREASE IN EDUCATION ALLOWANCE.

8. EDUCATION ALLOWANCES FOR CHILDREN OF EXPATRIATE STAFF
WERE ORIGINALLY INSTITUTED TO FACILITATE AN EDUCATION
THAT WOULD ENABLE THEM TO ASSIMILATE IN THEIR OWN COUNTRY
WHEN THEY RETURNED TO IT. AT THE UNIVERSITY LEVEL THIS
WOULD INDICATE UNDERGRADUATE ATTENDANCE AT A UNIVERSITY
IN THE CHILD'S OWN COUNTRY, OR IN A COUNTRY WHOSE
LANGUAGE, HISTORY, CULTURE AND SOCIAL MORES ARE CLOSELY

RELATED TO HIS OWN. PAYING AN ALLOWANCE FOR ATTENDANCE AT A UNIVERSITY NOT MEETING THIS DESCRIPTION APPEARS TO CONTRAVENE THE PURPOSE FOR WHICH THE ALLOWANCE WAS INITIALLY INTENDED. AS SUCH IT WOULD REPRESENT UNJUSTIFIED ADDITIONAL SALARY AND DISCRIMINATE AGAINST NON-EXPATRIATES WHOSE CHILDREN BY DEFINITION DO NOT QUALIFY FOR A UNIVERSITY EDUCATION ALLOWANCE. THERE IS OF COURSE THE LARGER QUESTION, RAISED IN PARA. 282 AS TO WHAT EXTENT THE ORGANIZATION IS RESPONSIBLE FOR EDUCATING DEPENDENT CHILDREN. THE U.S. CIVIL SERVICE DOES NOT PROVIDE

AN ALLOWANCE FOR UNIVERSITY EDUCATION FOR DEPENDENT CHILDREN, THEREFORE JUSTIFICATION FOR THE UN TO PROVIDE SUCH AN ALLOWANCE MUST BE BASED ON THE EXPATRIATION FACTOR RATHER THAN THE NOBLEMAIRE PRINCIPLE.

FYI: THE TREASURY DEPARTMENT HAS EXPRESSED CONCERN THAT SHOULD THE UN APPROVE THE PROPOSED CHANGE, THE IMF AND WORLD BANK WOULD PROPOSE SIMILAR CHANGES IN THEIR REGULATIONS EXCEPT THAT THEY WOULD PAY THE ALLOWANCE TO BOTH EXPATRIATE AND NON-EXPATRIATE STAFF. SUCH AN ACTION BY THE BANKS WOULD NOT BE LOST ON UN NON-EXPATRIATE STAFF WHO WOULD UNDOUBTEDLY THEN REQUEST THAT THEY BE GRANTED A UNIVERSITY EDUCATION ALLOWANCE. END FYI. USDEL IS REQUESTED TO SEEK SUPPORT TO OPPOSE THE COMMISSION'S RECOMMENDED CHANGE IN THE EDUCATION ALLOWANCE PROVISION. LIMITED OFFICIAL USE

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9. WE LEAVE TO USDEL'S DISCRETION THE HANDLING OF THE DERIVATIVE ISSUE OF THE SPECIFICS OF THE ICSC RECOMMENDATIONS FOR INCREASING THE EDUCATION ALLOWANCES (PARAS. 75(B) AND 75(C)).

10. WE FIND ILLOGICAL THE RECOMMENDATION FOR INTRODUCING AN QUOTE END-OF-SERVICE GRANT UNQUOTE FOR HOLDERS OF FIXED TERM APPOINTMENTS (PARA. 79). ANY COMPETENT PERSON ENTERING UNDER A FIXED TERM APPOINTMENT COULD BE EXPECTED TO BE AWARE OF THE LIMITED NATURE OF HIS EMPLOYMENT AND TAKE THIS INTO CONSIDERATION AT THE TIME HE INITIALLY NEGOTIATES HIS SALARY. THE ORGANIZATION'S RESPONSIBILITY TO THE APPOINTEE SHOULD BE LIMITED TO INSURING THAT THE AGREED-UPON TERMS OF EMPLOYMENT ARE MET. KISSINGER

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